

Farm Credit Administration

1501 Farm Credit Drive
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March 20, 2003

To: The Chief Executive Officer
Each Farm Credit System Institution

From: Michael V. Dunn, Director
Office of Policy and Analysis

A handwritten signature in black ink that reads 'Michael V. Dunn'.

Subject: Call for Reports of Financial Condition and Performance and Loan Account Reporting
System Data for the Quarter Ending March 31, 2003

To comply with the Farm Credit Administration (FCA) Regulation 12 CFR Part 621, a report of financial condition and performance for the 3-month period ending March 31, 2003, is requested of each Farm Credit System (FCS) institution. The requested information includes the Call Report, Call Report Addenda, Appendix G (Allotment of Allocated Investment Between a Bank and Recipient of Allocated Earning), and the LARS Reconciliation Report. This data should be electronically submitted to the FCA's Web site, www.fca.gov.

Each FCS institution should file a Call Report data file with the FCA. Each FCS institution should download a copy of the March 31, 2003, Excel file from the FCA's Web site and use it to prepare the Call Report. Farm Credit Banks (FCBs) and CoBank, ACB, should submit their Call Report to us on or before April 21, 2003. Agricultural Credit Associations, Federal Land Credit Associations, and other FCS institutions should submit their Call Report to us on or before April 30, 2003.

Each FCB and the CoBank, ACB, should submit, by April 21, 2003, a LARS data file for its district for the quarter ending March 31, 2003. Associations that submit their own LARS data and the Farm Credit Financial Partners, Inc., should also submit a LARS data file by April 21, 2003. The LARS data file should be electronically submitted to the FCA. **All FCS institutions are reminded that the LARS data elements for total note numbers, principal and interest balances outstanding, and related performance status should be reconciled to the related Call Report schedules.** Institutions should electronically submit to the FCA, a copy of the LARS Reconciliation Report and a full explanation of the reconciling items.

In addition, all FCBs and the CoBank, ACB, should file a Supplemental Call Report with Asset/Liability Management (ALM) information. All FCBs and the CoBank, ACB, should download a copy of the Supplemental Call Report Excel file from the FCA's Web site and use it to prepare the Call Report with ALM information. The Supplemental Call Report should be electronically submitted to the FCA and should be filed by May 30, 2003.

While banks are the only institutions required to file a Supplemental Call Report, associations should provide their respective banks certain information on projected income

in sufficient time for the banks to report projections on the district's consolidated earnings in the Supplemental Call Reports.

Further, each FCB and the CoBank, ACB, should electronically submit a supplemental addendum report that shows additional information on guaranteed loans and accrued interest payable on Systemwide notes and bonds. Each FCB and the CoBank, ACB, should download a copy of the addendum report from the FCA's Web site (Supplemental Addendum – Government Guaranteed Loans) and use it to prepare the report. This addendum report has the same due date as the Call Report.

Enclosed with this call request are revisions to the instructions for the Uniform Call Reports, a revised Appendix A that reflects the System structural changes. Updates to the Loan Service Organization Codes, the Standard Industrial Codes and LARS Data Elements used for LARS reporting. Copies of the Appendix D, Appendix G (required annually March 31st), and the LARS Reconciliation Report can be downloaded from FCA's Web site.

Please review all enclosed material before preparing any Call Report or LARS information. Please contact Gaylon Dykstra at (703) 883-4073 regarding any questions or clarification you need.

Enclosures

FARM CREDIT ADMINISTRATION UNIFORM CALL REPORT INSTRUCTIONS

Revision No. 54

Effective March 15, 2003

Enclosed is the fifty-fourth revision to the Farm Credit Administration (FCA) Uniform Call Report (Call Report). Listed below are discussions of the revisions to the Call Report instructions and directions for inserting revised pages in the appropriate sections of the Call Report Instruction book. Revisions to specific instruction are identified on each page by an asterisk in the left margin of the paragraph or sentence that has been revised. This information on the fifty-fourth revision should be filed after the "Revision" tab in your Call Report instruction book.

Discussion of Revisions:

Report of Condition

p. RC-9 – Instructions revised to replace FASB's SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lives Assets to be Disposed Of with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets on Schedule RC, line item 7, Other property owned.

p. RC-10 – Instructions revised to reflect the accounting for hedges of foreign currency forecasted transactions shall conform with the FASB's SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities on Schedule RC, line item 11(a), Systemwide notes and bonds outstanding.

p. RC-16 – Instructions revised to clarify participations/purchased under "similar entity authorities" also pertains to participation purchased from CoBank, ACB that it obtained using its "similar entity authorities".

p. RC-17 - Instructions revised to report the **gross** principal when reporting the total outstanding balance of the amounts of loans outstanding for loans that are headquartered outside of the association's chartered territory on Schedule RC.1, line item 1(h)(iii), Amount of loans outstanding.

p. RC-17 – Instructions revised to report the **gross** principal when reporting the total outstanding balance of the amount of loans made for loans that are headquartered outside of the association's chartered territory on Schedule RC.1, line item 1(h)(iv), Amount of loans made.

p. RC-41 – Instructions revised to clarify that Federal Government-guaranteed loans does not include Farmer Mac guarantees.

Report of Income

p. RI-7, Instructions were revised to remove Schedule RI, line item 11(b) regarding requirements of SFAS No. 4, Reporting Gains and Losses from Extinguishments of Debt. Remaining paragraphs 11(c), 11(d), and 11(e) was renamed 11(b), 11(c) and 11(d).

p. RI- 10, Instructions were revised to replace FASB's SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lives Assets to be Disposed Of with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets on Schedule RI-A, line item 6, Income from other property owned.

p. RI-12, Instructions were revised to add extinguishments or debts to the reporting of Net gains or losses on other transactions, Schedule RI-B, line item 4.

p. RI- 15, Instructions were revised to replace FASB's SFAS No. 121 Accounting for the Impairment of Long-Lived Assets and for Long-Lives Assets to be Disposed Of with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets on Schedule RI-C.1, line item 3, Other property owned expense.

Appendix A:

pp. B-1 to B-5 – New identification codes have been assigned for recent associations mergers resulting from the restructuring of the Farm Credit System.

AgAmerica, FCB, merged into AgriBank, FCB. AgriBank assigned a new district code – 22.

Northwest FCS, ACA changed their affiliation from AgAmerica, FCB, to CoBank, ACB. CoBank assigned a new district code – 23.

Listed below are the instructions for removing existing pages and inserting revised pages in the appropriate sections of the instruction book.

PAGES TO BE REMOVED

Report of Condition

pp. RC-9 – RC-21

p. RC-41

Report of Income

pp. RI-6 – RI-12

p. RI-15

Appendix A:

pp. B-1 – B-6

PAGES TO BE INSERTED

Report of Condition

pp. RC-9 – RC-21

p. RC-41

pp. RI-6 – RI-12

p. RI-15

Appendix A:

pp. B-1 – B-5

FARM CREDIT ADMINISTRATION
LOAN ACCOUNT REPORTING SYSTEM INSTRUCTIONS

Revision No. 40
Effective March 15, 2003

Enclosed is the fortieth revision to the Farm Credit Administration's Loan Account Reporting System (LARS) Instructions. Revisions of specific instructions are identified on each page by an asterisk in the left margin of the section that has been revised. Revision No. 40 should be filed after the "Revisions" tab in your instruction book. All LARS instructions should be filed in the back of your Uniform Call Report Instruction Manual. Listed below is an explanation of the revisions.

Discussion of Revision

Data Element Number 01—System Code	Code 04=PCA was removed as a valid code. As of January 1, 2003, there are no longer any stand-alone PCAs.
Data Element Number 02—District Code	As a result of a reaffiliation and merger codes 17=AgriBank, 18=AgAmerica, and 21=CoBank were removed as valid codes. Codes 22=AgriBank and 23=CoBank were added.
Data Element Number 17—Government Guarantees	The element name was changed to Government and Other Guarantees. Code 01=Farmers Home Administration was renamed Farm Service Agency. Code 08=Farmer Mac was added. Code 10=Other – Guarantees not included elsewhere was added.
Standard Industrial Codes	The following codes and definitions were added: 2034 Dried and Dehydrated Fruits, Vegetables, and Soup Mixes; 4971 Irrigation Systems; and 5182 Wine and Distilled Alcoholic Beverages.
Loan Service Organization Codes	As a result of recent association mergers and the addition and deletion of branch codes, all pages in this section have been reprinted.

Listed below are the pages that have been revised in the LARS Instructions. The revised pages should be inserted into the appropriate section of the instruction book as follows:

PAGES TO BE REMOVED

LARS Data Elements

pp. 1-33

Standard Industrial Codes

pp. i-x
p. 31
pp. 65-70

Loan Service Organization Codes

pp. 1-47

PAGES TO BE INSERTED

LARS Data Elements

pp. 1-35

Standard Industrial Codes

pp. i-x
p. 31
pp. 65-70

Loan Service Organization Codes

pp. 1-43